

Washington University Law Review

Volume 7 | Issue 1

January 1921

Insurance—Liability of Insurance Company for Slander of Its Agent

Follow this and additional works at: https://openscholarship.wustl.edu/law_lawreview



Part of the [Agency Commons](#)

Recommended Citation

Insurance—Liability of Insurance Company for Slander of Its Agent, 7 ST. LOUIS L. REV. 063 (1921).
Available at: https://openscholarship.wustl.edu/law_lawreview/vol7/iss1/12

This Comment on Recent Decisions is brought to you for free and open access by the Law School at Washington University Open Scholarship. It has been accepted for inclusion in Washington University Law Review by an authorized administrator of Washington University Open Scholarship. For more information, please contact digital@wumail.wustl.edu.

children or decendants (and not collateral heirs) and the same children enjoy the homestead during minority, it has been held that their homestead right amounts to an absolute exemption, forever free from sale for the payment of debts; *Armour v. Lewis*, 252 Mo. 568, and cases in accord. In this state from 1865 to 1875, the statute gave the widow a homestead in fee simple, similar to the result in some cases under the statute today. It will be seen that the title of any person claiming through a purchaser at a sale of homestead property for the payment of debts, even though it be by order of the probate court, is very doubtful and should be accepted with caution.

INSURANCE—LIABILITY OF INSURANCE COMPANY FOR SLANDER OF ITS AGENT.

In the case of *Vowles v. Yakisk* 179 N W 117 (Iowa) plaintiff's grocery store was destroyed by fire, and agent of defendant insurance company while adjusting the loss, asserted in the presence of witnesses that plaintiff had burned the building. In an action for slander against the Insurance company, the court says that the real question of the case is not whether the company had expressly authorized the words spoken, but rather, whether the agent at the time he uttered the words complained of was acting within the scope of his authority and in the actual performance of his duties touching the subject-matter of the transaction. The mere fact that the agent was acting in that capacity at the time the words were spoken would not fasten liability on the company, unless the test of the scope of his employment was satisfied. The court found that the agent at the time he spoke the words in question was acting beyond his authority, as it was not his duty to inquire into the origin of the fire, and therefore the company could not be liable for his words unless a subsequent ratification could be proved, and further that an acceptance of the agent's settlement did not amount to a ratification where the sole question negotiated in making the settlement was the amount of loss sustained and not the origin of the fire. A verdict of five thousand dollars damages in the trial court was reversed and the case remanded.

But the dissenting opinion of Weaver, C. J. seems to rest more upon the weight of authority and the better reasoning. He is inclined to view the conclusion of the court as an unnecessary refinement upon the laws of master and servant, and holds that the slanderous remarks of the agent can hardly be dissociated from his official employment and that the company should be held liable for such remarks where the agent was acting in its behalf at the time the remarks were made. He cites a number of authorities which seem to be well considered opinions of respectable courts as sustaining his conclusions, *Fensky v. Maryland Casualty Co.*, 264 Mo. 154. *Nesbit v. C. R. I. & P. R. R. Co.*, 163 Ia. 39. *Palmer v. Railroad Co.*, 133 N. Y. 261. A complete review of this question will be found in a note in 13 A. L. R., 1142.